

# **FISCAL MEMORANDUM**

## **SB 1552 – HB 2153**

April 7, 2008

**SUMMARY OF AMENDMENT (016109):** Deletes all language after the enacting clause. Authorizes payment from the Criminal Injury Compensation Fund (CICF) for the victim of a vehicular hit-and-run accident resulting in serious bodily injury or death and the operator of the vehicle knew or should have known that death or serious bodily injury occurred. Assesses a privilege tax against individuals convicted of violations of vehicular hit-and-run accidents resulting in serious bodily injury or death. Authorizes a relative as defined in the Criminal Injury Compensation Act to file for funeral and burial reimbursement if there is no estate of the victim opened. Limits payment from the CICF to medical providers to 75 percent of the billed charges. Prohibits any provider who accepts payment from the CICF from billing the victim for the balance, unless payment to the provider is not 75% of the charge billed. In these cases, the provider may bill the victim for the difference between the amount paid by the CICF and 75 percent of the billed charges.

### **FISCAL IMPACT OF ORIGINAL BILL:**

Decrease State Expenditures – Not Significant/Criminal Injuries  
Compensation Fund

### **FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:**

**Decrease State Expenditures – Net Impact – \$696,300/CICF**

**Increase State Revenue - \$2,700/CICF**

Assumptions applied to amendment:

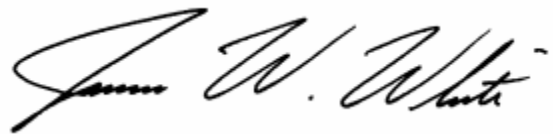
- Current law allows compensation to victims from the CICF only if there is evidence that a vehicle or watercraft was used with criminal intent to inflict injury or if there is evidence of drug or alcohol use in a DUI violation.
- According to the Office of the State Treasurer, the average payment for claims involving motor vehicles is \$10,500. There were 70 claims per 2007 conviction data from the Administrative Office of the Courts (AOC) plus an additional 20 claims where the offender was never identified for

a total of 90 claims. An increase in state expenditures of \$945,000 (\$10,500 x 90 claims) due to increased payments from the CICF.

- There are 70 convictions or guilty pleas annually relative to violations of leaving the scene of an accident. Assuming 50 percent (35) were assessed a privilege tax of \$26.50 the increase in state revenue to the CICF is \$927.50 (\$26.50 x 35). The remaining 50 percent (35) were assessed a privilege tax of \$50 resulting in an increase in state revenue of \$1,750 (\$50 x 35). Total increase in state revenue to the CICF would be \$2,700 (\$1,750 + \$927.50 = \$2,677.50).
- There may also be an increase in claim payments for those individuals who did not previously file a claim. It is reasonable to assume that 20 additional individuals will file a claim that would not have filed under current law. The average funeral payment per claim is \$3,185. An increase in state expenditures of \$63,700 (\$3,185 x 20 claims).
- Payments from the CICF to medical providers annually are \$6,820,000. This amendment proposes a 75 percent cap on those payments resulting in a total payment to the medical providers of \$5,115,000 (\$6,820,000 x 75%). Resulting in a decrease in state expenditures of \$1,705,000 (\$6,820,000 - \$5,115,000).
- Net impact to the CICF will be a decrease in state expenditures of \$696,300 (\$1,705,000 - \$945,000 - \$63,700).

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

/lsc